GUIDELINES FOR ANNUAL REPORTS:
CATEGORY 2 PUBLIC BODIES

June 2003

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MESSAGE FROM THE SECRETARY OF TREASURY BOARD

The 2002 Speech from the Throne committed all government departments and agencies to release to the public each year annual reports for the previous fiscal year. This was an important step for our government to take in ensuring transparency for departments and public bodies. All public bodies should have plans, which provide the foundation for annual reports. Many public bodies have been preparing annual reports without specific guidelines other than the suggestions offered in *Excellence in Governance: A Handbook for Public Sector Bodies*; these guidelines will fill that void.

The *Guidelines to Annual Reporting*: *Public Bodies* are provided for use by all Category 2 public bodies. While the guidelines are intended to provide a consistent foundation for all annual reports, they may be customized as necessary to suit the purposes of individual public bodies. The guidelines present a general format, and do not provide overly prescriptive instructions for preparing annual reports. To ensure that reports are reader-friendly and accessible to the public, annual reports should not exceed 20 pages in length.

Annual reports will provide a great opportunity to communicate our progress and achievements to the public. Public bodies will be expected to present meaningful, complete, and accurate reports with an emphasis on quality in writing and production standards. The Accountability Office of Treasury Board will provide advice to public bodies upon request. Please provide a copy of your published annual report to the Accountability Office of Treasury Board.

Thank you for your continued cooperation as we endeavour to meet the challenges outlined in our accountability policies for public bodies.

FLORENCE DELANEY
Secretary to Treasury Board

INTRODUCTION

This document provides a framework to enable each Category 2 public body to present a concise, coherent, and consistent picture of its goals and progress towards annual objectives. It is an explanation of the reporting component of the provincial policy, outlined in *Achieving Excellence 2000: a Guidebook for the Improved Accountability of Public Bodies*, which can be found at http://www.gov.nf.ca/ComptrollerGeneral/divisions/accountability_pubs.html.

REPORTING OVERVIEW

Annual reporting is the formal vehicle that government uses to communicate with the public and the legislature, and is an integral part of the governance process. It provides essential support to decision-making, program and policy improvement, and public accountability. Annual reports can promote a better understanding of public body activities and policy directions. While it is important to present information on resources, activities, and outputs, where possible there is also a need to capture information on the effects and effectiveness of public body policies and programs in achieving its goals and annual objectives. Reporting must relate to broader public accountability and transparency. It does not exist independently, but plays an important role in strategic governance through the planning cycle.

Reporting Principles

- provide a coherent and balanced picture of progress that is concise and clear
- link progress to earlier commitments, and explain any changes
- set progress in context
- link resources to outputs
- explain why the public can have confidence in the report

Through the planning process that has been undertaken over the last few years, government and public bodies are developing the capability to identify, measure, and report on its activities and progress toward achieving its stated goals. There is a fine balance between reporting accurate, useful information, and providing the public with infinite detail on every initiative undertaken in the reporting period. Presenting too much detail about too many topics may serve only to complicate and obscure the message. We are asking that annual reports be used to clearly and concisely provide meaningful information to the public in a brief, readable document.

Annual reports should present information on your outputs in a way that helps readers to understand the context and purpose. For this reason, communications personnel, where they exist, should be involved in preparing the annual report. Further suggestions for content and preparation are provided below.

PRODUCTION STANDARDS

It is recommended that all public bodies follow the same general format and the same publication standards. While each public body is different, and the guidelines may be open to interpretation, it is suggested that everyone generally follow the layout advice and length restrictions.

Annual report Checklist
To what extent does the report
- provide a coherent and balanced picture of progress that is concise and clear?
- link progress to earlier commitments, and explain any changes?
- set progress in context?
- link resources to outputs?
- explain why the public can have confidence in the report?

The mission, vision, and line(s) of business should be available in the public body's report. Also, it is necessary to provide readers with background information to enable them to understand the factors influencing policy directions, progress to date, and the general environment in which the organization is operating. The annual report will be an opportunity to enhance public understanding of your public body and key initiatives or directions. Documents will be produced (written and printed) by each individual public body; however, we have provided some minimum production standards to ensure some level of consistency and quality across government.

The Communications and Consultation Branch of Executive Council has developed a common graphic layout to be used by all entities. Reports should employ a very simple structure, following the format provided below. The aim is to create a document that is readable, understandable, and visually appealing.

Page Layout:
- All margins: 1"
- Type should be 12 point (excluding headings) and in a standard font such as Times New Roman or Arial
- Public body name and page numbers should appear in footers (beginning after the table of contents)
- Allow sufficient white space - text should not appear crowded

The Accountability Office is available to provide advice to departmental coordinators and public body personnel.

Electronic Publication Standards

Electronic publication standards are available from the Communications and Consultation Branch of Executive Council and are available through the departmental coordinator. Where the public body has a website the annual reports may be posted using PDF format. Electronic and printed versions must be consistent.

REPORT CONTENTS

FORMAT

1. Table of Contents (1 page)
2. Chairperson's Message (including mandate - 1 page)
3. Public Body Overview (1 page)
   a. Vision
   b. Mission
   c. Lines of Business
   d. Number of Employees
   e. Physical Location
   f. Other Key Statistics
4. Shared Commitments (1 to 2 pages)
5. Highlights and Accomplishments (either 1 to 1.5 pages, or dispersed throughout report)
6. Outputs (5 to 6 pages)
   a. Issues
   b. Goals and objectives
   c. Progress and Accomplishments
7. Opportunities and Challenges Ahead (1 page)
8. Financial Statements

Board Chairperson's Message - 1 page

The Board Chairperson's Message should provide a brief introduction to the purpose, contents and objectives of the performance report, including some basic information about the public body, including the mandate. Ideally, this could appear on half of one page, with the Table of Contents on the other half of the same page.

Public Body Overview - 1 page

The Public Body Overview should be presented immediately after the Board Chairperson's Message, and include the public body's vision, mission, lines of business, as well as other key statistics, such as the number of employees, physical location (including regional representation), and brief, general description of revenues and expenditures (e.g,. this could be presented in two small pie charts).

Shared Commitments - 1 to 2 pages. This section provides an opportunity to explain how others influence your public body plan (e.g., industry, other public bodies). This is not a required component for all public bodies.

Highlights/Accomplishments - 1 to 1½ pages (or dispersed throughout report)

This section highlights accomplishments and good news stories over the reporting period, while presenting a balanced picture. This does not include a discussion of the outputs of the organization based on its objectives.

Outputs- 5 to 6 pages

For each strategic issue from your plan, state (i) the goal, (ii) the relevant objective and (iii) and services (outputs) provided to the people of the province.

Opportunities and Challenges Ahead - 1 page

This section would allow the public body to briefly inform readers about potential obstacles or opportunities that are likely to arise in the near future.

Report Contents

Financial Statements

Where appropriate, the audited financial Statements should be included and as well there should be a brief explanation (of approximately 1 paragraph) of the overall deviation from the projected results. The auditor would approve this presentation before it is published. A public body that has separately released its audited financial statements may provide a summary of its financial statements information in the annual report.

CRITICAL DATES WHICH SHOULD BE CONFIRMED WITH THE RESPECTIVE DEPARTMENT

All Category 2 public entities are expected to table annual reports 6 months after the year end of the public body, unless otherwise stated in legislation.

A copy of the annual report should be submitted to the Accountability Office prior to or at the time of tabling.

Check with the departmental coordinator or communications personnel to determine the number of paper copies required for tabling.

General:

These guidelines are referring to annual reports as outlined in *Achieving Excellence 2000: A Guidebook for the Improved Accountability of Public Bodies.* The expectations outlined in the provincial policy should be fully implemented by March 2005. To gain a better understanding of the expectations please refer to the responsibilities outlined on page 17 of *Achieving Excellence 2000: A Guidebook for the Improved Accountability of Public Bodies.*

Glossary

Accountability
A relationship based on the obligation to demonstrate and take responsibility for performance in light of agreed expectations.

Accountability Framework
The accountability framework defines the nature and scope of responsibilities, identification of key results, performance expectations, and the monitoring and reporting strategies.

Activities
Activities are the actions that transform the various inputs or resources into outputs.

Baseline
Baseline data is a series of values over the time collected before , or at the time a program comes into effect, or as an event occurs.

Benchmarks
Benchmarks are the standards against which the outcomes will be measured.

Challenges
Those events, activities, processes, strategies, policies, and leadership qualities that the organization must first overcome if it is to achieve its intended goals and objectives.

Goal
A goal is a general statement of the desired results to be achieved over a specified period of time.

Indicator
An indicator is an aspect of a measure which will be assessed.

Key Issue
Key issues are the most significant external or internal factors which the organization must manage to realize its mission and goals and the capacity of the organization to effectively manage the impacts of those factors.

Lines of Business
Lines of business are discrete and coherent sets of programs, services and/or products that represent what the organization delivers to its external clients.

Mandate
Instruction given by an authorizing body which sets out the general parameters of a task to be undertaken.

Glossary

Measures
Measures are the attributes which are evaluated in order to determine whether the expected have been achieved.

Mission
a brief, clear statement which provides an anchor pont for developing and assessing goals, objectives and strategies. It is an outcome oriented statement which answers the questions who, what and why, focusing work in the short term (approximately two iterations of strategic planning).

Objective
An objective is a specific target or milestone which is set to incrementally improve achievement toward the goal. Success in meeting the objectives can be readily evaluated using qualitative and quantitative measures.

Outcome
The desired result (for example a change in behaviour).

Output
What is produced as a direct result of transforming resources through an activity or process.

Performance Measurement
Performance Measurement is a process, which focuses on the desired quantitative and qualitative data, required for the organization to meet its mission, and goals.

Performance Report
A summary of the organization's operations which provides a clear linkage between the strategic plan and the outcomes actually obtained using the specified performance measures.

Program
A program is a grouping of activities with a common purpose, common clients and/or common outcomes.

Public Body
A board, corporation, commission or similar body, established by order of the Lieutenant-Governor in Council, under an Act of Legislature, or Minute of Council.

Glossary

Strategic Planning

A systematic process designed to help analyze fundamental issues and policy choices, define strategies, prioritize goals and objectives, and ensure these goals and objectives are translated into concrete actions, and performance is measured and reported.

Values

Values are the fundamental principles that guide behaviour and decision making.

Vision

A vision is a short statement describing the ideal state an organization is striving to achieve for its clients.

Style Guide

All public bodies should follow the style points outlined in the guidelines to ensure some level of consistency among all public body reports.

- Avoid jargon and lengthy sentences. If it is necessary to use a technical term, ensure that it is explained properly.
- Use the active versus passive voice (e.g., "we wrote the reports" vs. "the reports were written by us").
- Ensure that tense is correct and consistent. The annual report refers to activities already completed, so the past tense is appropriate.
- Write the fiscal year as **2002-03**. Follow this format for other fiscal years referenced.
- Use **per cent** not % (except when used in a table or graphics).
- Write out numbers when under 10 (nine) and when at the beginning of a sentence (Thirty-seven people...) But for 10 and over, use digits. Do not use "ten (10)".
- Numbers larger than 999 use commas to prevent the number from being separated across two lines.
- Do not use "th" with a date - not June 17th, but June 17.
- When just using month and year, do not use a comma to separate the month and year (January 2002).
- Use "and" not "&".
- When using the full name of an act, use italics (*Gasoline Tax Act*).
- For purposes of the annual report, Government, Province, and Department may be capitalized when standing alone. Use "province" when referring to the geographic area.
- Avoid the use of etc., e.g., and i.e.
- If using an acronym, ensure that it is spelled out on first use. Avoid the use of too many unfamiliar acronyms.
- Use hyphens to make it obvious when words work together as a single adjective conveying a single idea (one-year trades-related program).